

**United States House of Representatives**  
**Committee on Resources**  
**Subcommittee on Water & Power**

**Honorable Ken Calvert, Chairman**

**Testimony of Ronald R. Gastelum**

**Chief Executive Officer**

**Metropolitan Water District of Southern California**

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**· Introduction**

§ Mr. Chairman and members of the subcommittee, thank you for the opportunity to submit this statement regarding Southern California Water Security - Opportunities and Challenges.

§ My name is Ronald R. Gastelum, I am the Chief Executive Officer for the Metropolitan Water District of Southern California (Metropolitan). Metropolitan is a regional wholesale water agency that provides water to 26 member public agencies who serve 17 million people living in Ventura, Los Angeles, Orange, Riverside, San Bernardino, and San Diego counties.

§ Mr. Chairman, I would like to thank you and the many cosponsors for your leadership in introducing CALFED authorization legislation on May 24 that provides a ground-breaking approach to resolving regional resource management conflicts that affect a variety of stakeholder interests.

§ The CALFED legislation not only serves California, but also serves the nation's interests. It implements a program that assures comprehensive achievement of regional health, economic and environmental program objectives. It is one of the most important pieces of water and environmental resource management legislation in California's history. In particular it:

- Authorizes funding over the next 30 years for the CALFED program, thereby preserving a national ecological treasure, ensuring necessary infrastructure for high-quality and reliable water supplies for our residents, industries and farms, and providing benefits to the aquatic and avian ecosystems of California and other western states;
- Creates an institutional framework through a Governance Board that provides the stability needed to assure coordination among the multiple local, regional, state and federal resource agencies must take coordinated actions to implement the CALFED program;
- Creates a competitive process to fund local and regional projects providing broad access to finances and assuring lower costs;

- Enhances the federal program for funding small reclamation programs throughout the west; and
- Preserves the linkages among the various CALFED objectives by requiring that projects recommended for funding be sent to Congress in a bundled package through the annual report process. This beneficially forces the stakeholder interests to work together to solve one of California's most pressing issues.

§ We believe the CALFED legislation has the ability to end decades of stalemate in the Bay-Delta and provide dramatic improvements for multiple beneficiaries.

§ By providing federal leadership to seek a balanced solution, you greatly increase the likelihood that CALFED agencies will achieve the objectives and actions that will move us forward together.

**Responses to Questions.** Mr. Chairman, in your letter of invitation you asked us to provide testimony to this panel that focused on three questions.

**· Question 1 - What factors have led to the challenges that Southern California is facing today in regards to water supply, quality and reliability?**

§ The fundamental challenge of water management in Southern California and throughout the nation is to meet the increasing needs of our customers while ensuring high water quality and protecting and restoring fisheries.

§ In the late 1980s and early 1990s, California experienced a six-year dry spell, one of the most severe over the last 70 years. During that time, water users also incurred additional limits on their supplies when two fish species (winter-run salmon and Delta smelt) were listed by federal agencies. With reduced supplies from both the dry spell and the Endangered Species Act (ESA) requirements, the State Water Project (SWP) found itself limited on pumping during both wet and dry conditions.

§ During this six-year period, the SWP supplies fell more than six million acre-feet under contract entitlements (see Chart 1). Water losses for ESA and other fishery regulations totaled 1.4 million acre-feet during dry years, almost one-third of dry-year supplies under the state and federal water supply contracts.

§ In addition, increased public health concerns and drinking water quality regulations have also challenged our approaches to providing high quality, low-cost supplies.

§ Over the last decade, while drinking water quality regulations have increasingly become more stringent, little progress has been made to bring source water quality for Delta exporters in line with national averages. Delta water currently contains levels of bromide that are six times higher than the national average. Bromide and trihalomethanes both raise public health concerns because of possible links to cancer.

§ High concentrations of salinity also degrade groundwater basins and impede efforts to recycle and reuse water.

§ Although Metropolitan is a nationally recognized leader in funding research and implementing new cost-effective treatment technologies, the technical challenges and costs of removing contaminants from drinking water supplies can be staggering. Currently, the best method to control water quality is at the source.

§ If urban water agencies are forced to abandon quality at the source and instead rely on alternative treatment technologies, the capital and operating/maintenance of these alternative technologies could exceed the cost of conventional treatment by over 1,000 percent.

§ In summary, the factors that have lead to an almost certain crisis that would dwarf by comparison the current energy situation are:

- The lack of sufficient storage above and below the Delta to manage efficiently the competing demands of our environment and economy;
- The inefficient conveyance systems in and through the Delta that are causing rapidly deteriorating water quality for consumers and fish; and
- Lack of adequate financing for local resource development.

· **Question 2 - What actions and measures have you taken to improve upon your water supply, quality and reliability?**

§ Metropolitan over the last few years has gone through a dramatic change in policy direction and has begun to aggressively develop a new water management paradigm to meet water quality, supply reliability and environmental needs.

§ Metropolitan has remained steadfast in our support for the environment, sound science and efficient water management practices. We have been a leader in funding and coordinating the implementation of early-start environmental restoration and scientific monitoring programs. We have also been a driving force at initiating new, more efficient water management tools to allow us to adjust to changing regulatory requirements. We fundamentally believe California needs a stable environment to ensure a stable economy.

§ Metropolitan's strategy for water storage has changed. The old vision called for storing water upstream of the Delta and pushing it through the Delta during drought periods. The new vision calls for banking surplus water south of the Delta in wet periods to meet contractual commitments during drought years. This allows for reduced export pumping and increased Delta outflows for fisheries in during dry periods.

§ Local resource development has also played a vital role at Metropolitan in managing the impacts of increasing environmental regulation and urban demand for imported water supplies.

§ Current efforts to conserve and recycle water have produced more than 710,000 acre-feet per year. This is comparable to the current combined annual water supply for the City of Los Angeles and the City of San Francisco.

§ Metropolitan's resource plan also calls for doubling recycling and adding 400,000 acre-feet of

groundwater production. This is simply not possible without low salinity Delta water.

§ Based on a study commissioned by the Los Angeles Area Chamber of Commerce in 1996, Southern California water agencies and taxpayers have spent more than \$8 billion in water conservation, water recycling and storage since the early 1980s.

§ Metropolitan and its member agencies are committed to invest another \$8 billion by the year 2020 in the development of Southern California's local supply and storage programs.

§ These resource management strategies will have reduced Southern California's dependence on Bay-Delta supplies during critically dry years, like 1977 and 1991, from 35% to 12% by year 2020.

§ While these new strategies are proving effective at filling the 1990s supply gap with real water (see Chart 2), we still need to implement the water supply actions in the CALFED Record of Decision to meet the needs of the environment and the economy.

§ In summary, Metropolitan has taken key steps to deal with changing circumstances. This includes:

- Changing the storage paradigm by developing surface and groundwater storage south of the Delta; and
- Investing heavily in local resources, including extensive recycling and conservation and programs to maintain a full Colorado River Aqueduct.

But we need a successful statewide plan if these local resources are to be effective.

**· Question 3 - What additional measures or assistance may be needed in the short, mid, and long term to improve your water security?**

§ Metropolitan is committed to working with the Congress and stakeholder interests to move the CALFED authorization legislation forward. We will also work to ensure the final CALFED authorization legislation embodies the following legislative principles. These principles include:

§ A Stable and Effective Governance Mechanism. The legislation should promote creation of an effective governance mechanism, which adequately represents Southern California urban interests and assures stable and balanced implementation of the entire CALFED program.

- In 1994, the Bay-Delta Accord created a partnership between the state and federal governments, along with a broad array of water agencies and stakeholders.

- We need to continue this partnership to provide a more secure and favorable political environment for dealings with stakeholder concerns.

§ Funding for Water Quality Projects, including Complementary Actions. Water quality is our top priority! The CALFED legislation must assure that water quality projects, including those identified as "complementary actions" in the CALFED Record of Decision, are eligible and can effectively compete for funding within the CALFED authorization legislation.

- These water quality program elements include:

§ Source protection measures to safeguard Bay-Delta drinking water supplies for 22 million Americans.

§ Water storage and conveyance solutions to protect the integrity of drinking water supplies as they journey from the source to two-thirds of all Californian households;

§ Support for innovative urban-agricultural partnerships, such as the partnership between Metropolitan and the Friant Water Users Authority, to improve source water quality, assure agricultural water supply, and provide water for fisheries restoration; and

§ Water treatment technology research initiatives to improve micro filtration and ultraviolet disinfection technologies.

§ Funding for Local and Statewide Supply Reliability Projects. Authorization must be clearly provided for the full range of actions contained in the CALFED Bay-Delta Program to increase water supply reliability, including investments in local resources, improvements in through-delta conveyance, and additional surface and groundwater storage consistent with the CALFED Framework Agreement and Record of Decision.

§ A Stable Regulatory Environment. The legislation should contain provisions that require environmental restoration to be accomplished in a manner that assures reliability of water supplies for the State Water Project, Central Valley Project, and other water users.

§ Funding for Environmental Restoration. The legislation must authorize adequate funding for the Environmental Water Account and Environmental Restoration Program defined in the CALFED Record of Decision to assure balanced progress of environmental restoration and improvements in water quality and supply reliability.

- The CALFED ecosystem restoration program is one of the largest environmental programs ever undertaken in the nation. Habitat restoration in the Bay-Delta watershed translates into environmental and "economic" benefits for both the Colorado and Columbia River Basin. The CALFED Program is also key to supporting Pacific salmon fisheries and waterfowl along the Pacific Flyway.

- Metropolitan supports legislative provisions that promote environmental habitat improvements while protecting private landowners.

- Elements of CALFED environmental program include:

§ Installing screens on water diversions to protect fishery resources, thus eliminating a major source of fish mortality;

§ Removing dams on tributary streams to open up previously inaccessible fishery spawning grounds; and

§ Acquiring conservation easements and habitat acquisitions from willing sellers.

§ Implementation of Environmental Water Account to Meet Endangered Species Act Requirements.

The legislation should authorize Environmental Water Account (EWA) implementation to provide additional environmental water above the regulatory baseline, while protecting the reliability of urban and agricultural water supplies. The first priority for use of EWA water should be to meet the requirements of the Endangered Species Act with other ecosystem purposes having second priority.

- Federal authorization of the EWA will also provide support for the resource agencies to shift from regulatory-based operating procedures to more flexible operating procedures. Combined with improved monitoring, we believe this flexible operating strategy provides more water to the fisheries when needed and conserves limited supplies.

§ Timely Permitting and Implementation of Projects. The legislation should provide for regulatory coordination and streamlining to assure timely implementation of CALFED projects and should protect the resource mix of demand management actions and infrastructure development agreed to in the CALFED Framework Agreement and Record of Decision.

§ Sound Science. The legislation should authorize adequate funds for a strong, independent and objective science board to assure that CALFED-related decisions are based on the best-possible scientific information. The science Board should develop clear criteria to measure the success of ecosystem actions and adjust the restoration program in a timely manner in response to whether or not the success criteria are achieved.

- We cannot continue to solely focus on Delta outflows for the environment. We need to continue implement and monitor habitat restoration, pollution prevention, and exotic species control.

- We also need to implement the drinking water quality goals and actions outlined in the CALFED Record of Decision.

· **Ending Statement**

§ Mr. Chairman, your CALFED authorization legislation has aligned the federal government with a new direction in water management in California.

§ If we follow this new direction, California will not have to choose between the environment and the economy.

§ It is in everyone's interest to "seize the opportunity" you have provided to improve California's resources and enhance water and environmental programs throughout the West.

§ We at Metropolitan are dedicated to working with you, Mr. Chairman, members of the subcommittee, Senator Feinstein, and all others in developing a workable approach to implement a balanced CALFED Bay-Delta program.

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